

RECEIVED FEDERAL ELECTION COMMISSION OFFICE OF GENERAL COUNST!

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April 23, 2008

Jeff S Jordan
Supervisory Attorney
Complaints Examination and Legal Administration
Federal Election Commission
999 E Street NW
Washington, D C 20463

**RE MUR#5993** 

Dear Mr Jordan

This is a response to the matter noted above concerning a complaint filed by State Senator Dick Dearden. Our review of Senator Dearden's comments and attachments convinces us that the complaint is groundless and that nothing that he cites constitutes a violation of the Federal Election Campaign Act of 1971.

Senator Dearden claims that, through I'M for lowa, Ed Fallon is raising and spending soft money and making direct expenditures in support of his congressional campaign. He further claims that this support includes direct advocacy of Fallon's federal campaign. These claims are groundless I'M for lowa has not now, or ever in its past, spent any money on a political campaign, either federal or local.

We see nothing in Senator Dearden's complaint that indicates a solicitation of funds for a federal campaign or that asks anyone to vote for or against any federal candidate

I'M for Iowa is a legal general partnership, and we did all necessary steps for the legal registration of this business. The partnership was organized to advocate for progressive politics within the state of Iowa and to encourage potential candidates to run in local campaigns. The organization's mission and practices have never included funding political campaigns. As a small business dependent upon lowans interested in local progressive issues for its financial support, I'M for Iowa has relied on e-mail communications as the most economical means of reaching its supporters with information about local political issues. No fundraising solicitation of I'M for Iowa has ever solicited funds implicitly or explicitly to be used in a federal campaign, or in any local campaign, for that matter

In the document in which Ed announces his intention to run for Congress, we see no solicitation of funds for his campaign, and no advocacy for Ed's campaign. The communication consists merely of a statement of his intention to run



To put I'M for lows in perspective, the U S Return of Partnership Income Tax Return for 2007 reports total income of \$18,106 and income after business deductions of \$4,602 Expenditures included a total of \$1,250 paid to Ed Fallon for his personal services to the partnership Everything else was typical overhead expenditures. Nothing was spent on political campaigns, either federal or local.

Since the beginning of 2008, Ed Fallon made direct cash contributions of \$200 to his congressional campaign, which is not in violation of FEC rules, as we understand them. As a partner of I'M for Iowa, Ed Fallon made two in-kind contributions to the congressional campaign, again, not in violation of FEC rules as we understand them, fairly valued at \$375.00. The in-kind contributions represent 10 hours of Ed Fallon's time to create two communications to the I'M for Iowa e-mail list that mentioned Ed's candidacy. We believe that treating these as in-kind contributions to the campaign conforms to the Federal Election Campaign Act of 1971.

The Fallon for Congress Committee and its candidate have not solicited, received, directed or spent funds in connection with a federal election that were not subject to the limitations, prohibition, and reporting requirements of the federal campaign finance law, nor have they solicited, received, directed, or spent funds in connection with any state or local election

Because of the facts we have presented here we respectfully request that the Commission dismiss Senator Dearden's complaints as without substance

Sincerely,

John Schmacker

Treasurer, Fallon for Congress Committee